

EXHIBIT 7

**UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF MASSACHUSETTS**

**IN RE: PHARMACEUTICAL
INDUSTRY AVERAGE WHOLESALE
PRICE LITIGATION**

MDL NO. 1456

CIVIL ACTION: 01-CV-12257-PBS

**THIS DOCUMENT RELATES TO
U.S. ex rel. Ven-A-Care of the
Florida Keys, Inc., Zachary T.
Bentley , and T. Mark Jones v.
Abbott Laboratories, Inc.,
No. 07-CV-11618-PBS**

Judge Patti B. Saris

**Magistrate Judge Marianne B.
Bowler**

AFFIDAVIT OF STEVEN J. YOUNG

A. Introduction

1) I, Steven J Young, submit this declaration that states as follows: I am over 21 years of age, and I could competently and accurately testify as to the truth of the matters set forth herein. I am a managing director at HealthScape Advisors LLC and submitted an expert report in this case on May 8, 2009 where I reviewed, evaluated, and commented on the analysis of Mark G. Duggan that led to his "difference" calculation. As part of that report, I also conducted various independent analyses of the data produced in this litigation and provided my findings. In preparation of the report described above, I and those under my supervision conducted various analyses of Abbott Laboratory Inc's ("Abbott") sales data produced as part of this litigation. I have been asked by counsel for Abbott to conduct two additional analyses of this data in support of Abbott's response to Ven-A-Care's Motion for Partial Summary Judgment.

B. Analysis of Direct Customer Purchase Prices

2) I have performed an analysis of customers that purchased directly from Abbott to determine which customers purchased at published prices. I identified each unique customer in the direct sales data based on the "Ship To" customer number. I then excluded hospital and governmental customer numbers by removing those customers that had a sale within a hospital or government class

of trade. This resulted in a population of over 31,000 unique non-government, non-hospital direct "Ship To" customer numbers for the period 1994 to 2007¹.

3) I then analyzed this population of customer numbers to determine the price level each customer purchased each NDC within a given year between 1994 and 2007. I determined the price level for each NDC/year combination by calculating the average price that customer purchased the product for the year². I considered all transactions for those customers included in both direct and indirect data³ to arrive at my average purchase price for each NDC for each year to account for any discounts or price reductions associated with that direct customer. I then analyzed and graphed the extent and frequency each customer purchased at or above published WAC or Direct Price⁴ (i.e. number of NDC/year combinations at or above published WAC or Direct Price) as a percentage of the total purchase frequency for that customer (i.e. total number of NDC/year combinations purchased by that customer between 1994 and 2007). As figure one illustrates, I determined that 17% of customers purchased ERY at or above the published prices 100% of the time (i.e. all NDC/year combinations for those customer numbers were at or above the published prices), and 34% of customers purchased ERY at or above the published prices for at least 25% of

¹ Direct sales data provided in support of Report of Mark G. Duggan, Ph.D., dated March 27, 2009 analysis_datasets\direct\abbott_direct_all.txt

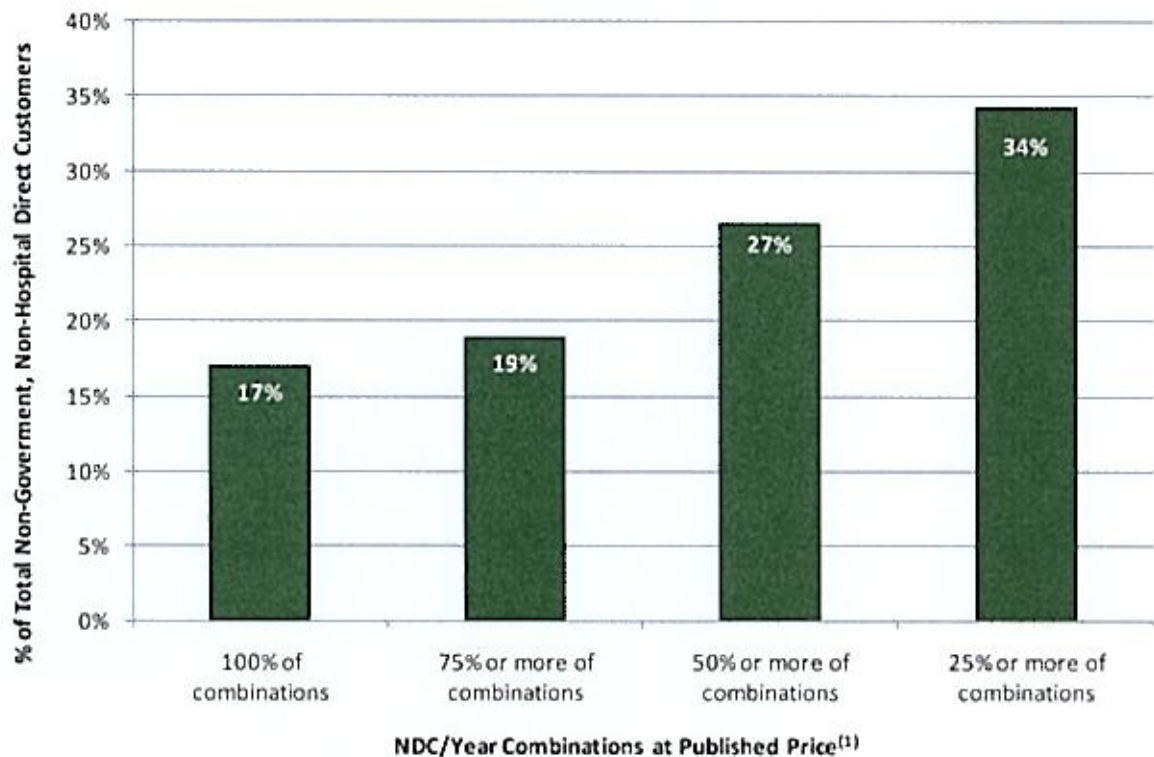
² If a price change occurred during the year for an NDC, I separately calculated the average before and after the date of the price change.

³ ABT_ERY-D00001

⁴ I consider the effect of prompt pay discounts by defining purchases at or above published WAC or Direct Price as any transaction that occurs at a price that is greater than 97% of the WAC or Direct Price as published in First Data Bank. I use this definition throughout the remainder of this affidavit.

the time (i.e. 25% or more of the NDC/year combinations for those customer numbers were at or above the published prices).

Figure 1



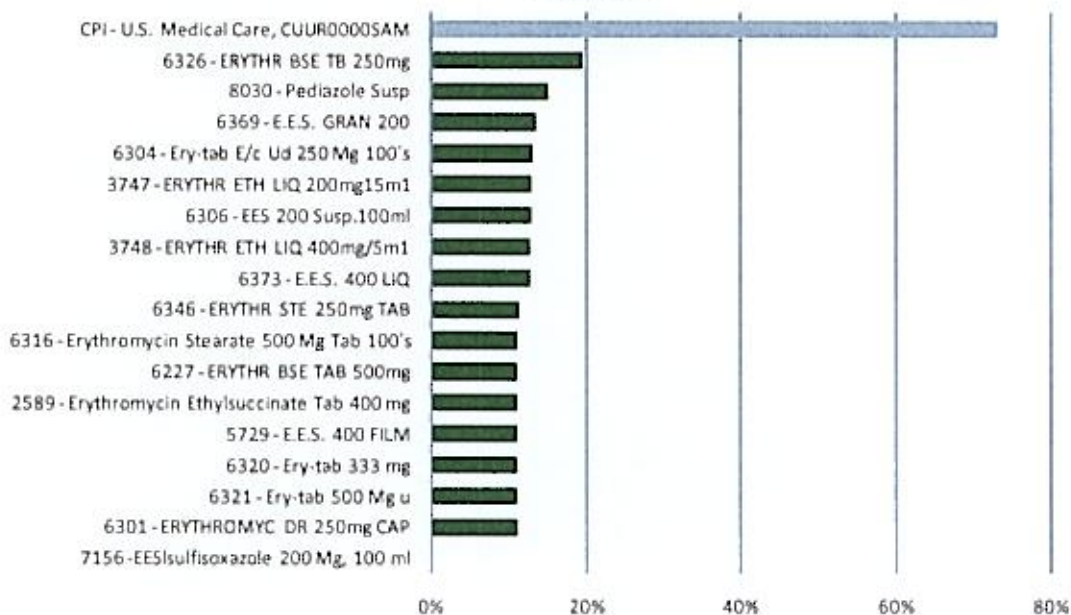
(1) The average price for all transactions to the customer for the NDC for the entire year, must be at or above the published WAC or direct price to qualify under this determination.

C. Analysis of ERY Price Increases

4) I was asked to analyze the price changes to the ERY published direct prices and WACs from 1994 to 2007. The 17 ERY formulations had price changes as follows: one formulation had five price changes, nine formulations exhibited four price changes over the course of the time period, six formulations had either three or four price changes, and one had no price change. The prices of these products increase at a significantly slower rate than that of the

consumer price index for medical care⁵ ("CPI") during the same period. The following figure displays the total percentage increase in CPI during the period as compared with the total percentage price increases for the ERY formulations at issue.

Figure 2



Executed on: November 2, 2009

By:

Steven J. Young

⁵ CPI Medical Care is the consumer price index used as identified by the Bureau of Labor Statistics, Series ID CURCUUR0000SAM.